

**Before the
Federal Communication Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Developing a Unified Inter-carrier Compensation Regime)	CC Docket 01-92
)	
The Missoula Plan Inter-carrier Compensation Reform Plan)	DA 06-1510
)	

Comments Of The Rural ILECs

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The rural incumbent local exchange carriers listed on Appendix A (the Rural ILECs) support adoption of the Missoula plan by the Commission. The current intercarrier compensation system is under significant stress and needs to be revised to deal with the multitude of issues that have arisen as competitive carriers have been introduced into the market and as they use the Public Switched Telecommunications Network (PSTN) to originate and complete their calls. The proposed plan:

- Minimizes the rate differences between regulatory jurisdictions and between services and thus should minimize arbitrage;
- Retains revenues lost as intercarrier rates are reduced in order to insure that critical revenues are still available to provide basic and advanced services in rural areas that are comparable to those provided in urban areas and to invest in the infrastructure that supports not only incumbent services but also wireless, IP and other services that utilize that rural infrastructure;
- Provides mechanisms and processes to deal with equity between states that have already undertaken intercarrier compensation reform and those that have not;
- Resolves many issues that have and continue to consume enormous resources of carriers and Commissions. For instance, the proposed plan (a) defines whether calls are local or access; (b) resolves the intraMTA calling issues; (c) deals with the virtual NXX issue; (d) provides rules to resolve phantom traffic conflicts, etc.

Resolution of these issues will bring substantial benefits for consumers. Rather than focusing resources on intercarrier disputes, all carriers will be able to focus their resources on providing services to rural consumers that are comparable to those provided in urban areas, and new technologies where appropriate.

The Missoula Plan to reform intercarrier compensation may not be perfect from any party's perspective; however it reflects an extraordinary effort and encompasses many valuable concepts that warrant consideration by the FCC. While there is substantial support for the proposal within the rural community, some concerns remain. In particular, the plan hinges on creation of a Restructure Mechanism (RM) to retain access revenues displaced when intercarrier compensation rate levels are reduced. These revenues are absolutely essential to the maintenance and upgrading of networks in rural areas and the provisioning of universally available basic and advanced services and therefore the RM must be sustainable. The Rural ILECs, as well as the other supporters of the Missoula Plan, recognize that without the RM, the Missoula plan will not work. Furthermore, the Rural ILECs support the position advanced by the Rural Alliance in its comments that the RM is an access element under Section 201 of the Communications Act.

Although all of the Rural ILECs may not agree with all aspects of the Plan, and as stated above we are concerned about the sustainability of the Restructure Mechanism, the Plan is comprehensive and is the best compromise that could be negotiated to deal with the very real and critical intercarrier compensation problems that exist today while maintaining broad industry support.

Finally, the Missoula Plan proposal incorporates the following concepts that are essential for rural rate-of-return carriers:

1. Revisions to the existing intercarrier compensation framework must recognize distinctions applicable to ILECs subject to rate-of-return regulation;
2. Rural rate-of-return ILECs are entitled to establish cost-based intercarrier compensation rates that recognize the value other carriers receive when they utilize the rural networks to originate and terminate traffic;
3. To the extent that changes in the existing intercarrier compensation rates are imposed on rural rate-of-return ILECs, these rural carriers must receive recovery of the otherwise displaced interconnection revenue from a new sustainable access element that is only available to carriers that experience such imposed intercarrier rate reductions;
4. To the extent that changes in the existing interconnection rules are undertaken, those rule changes must reflect the operational and legal realities which limit the obligations of rural ILECs to undertake financial responsibility for the transport of traffic beyond their networks.

Given the benefits of the plan for all carriers and for consumers, the Rural ILECs urge the Commission to adopt the Missoula Plan.

Respectfully submitted,

THE RURAL ILECs

Appendix A

The following Rural ILECs urge the FCC to adopt the Missoula Plan:

Adak Telephone Utility
Adams Telephone Co-Operative
Agate Mutual Telephone Co-op
Alaska Telephone Company
Alenco Communications, Inc.
Alhambra-Grantfork Telephone Company
Alma Communications, d/b/a Alma Telephone Company (M0)
Alma Telephone Company (GA)
Amelia Telephone Corporation
Amery Telcom
Arcadia Telephone Company (OH)
Arcadia Telephone Cooperative (IA)
Arctic Slope Telephone Association Cooperative
Ardmore Communications, LLC
Ardmore Telephone Company, Inc.
Arizona Telephone Company
Arkansas Telephone Company
ArkWest Communications
Arlington Telephone Company
Armour Independent Telephone Company
Arthur Mutual Telephone Company
Arvig Telephone Company
Asotin Telephone Company
Atlas Telephone Company, Inc.
Ayrshire Farmers Mutual Telephone Company
Badger Telecom, LLC
Barnardsville Telephone Company
Bay Springs Telephone Company, Inc.
Bear Lake Communications
BEK Communications Cooperative
Belmont Telephone Exchange Company
Benkelman Telephone Company
Bentleville Telephone Corporation
Beresford Municipal Telephone Company
Berkshire Telephone Company
Bettles Telephone Company
Big Bend Telephone Company, Inc.
Big Sandy Telecom, Inc.
Black Earth Telephone Company, LLC
Blackfoot Telephone Cooperative
Blountsville Telephone Company, Inc.
Blue Ridge Telephone Company

Blue Valley Tele-Communications, Inc.
Bluestem Telephone Company
Bonduel Telephone Company, LLC
BPS Telephone Company
Brantley Telephone Company, Inc.
Brazos Telecommunications, Inc.
Brazos Telephone Coop., Inc.
Bretton Woods Telephone Company
Bridge Water Telephone Company
Bridgewater-Canistota Independent Telephone
Brindlee Mountain Telephone Company
Bruce Telephone Company, Inc
Bulloch Telephone Cooperative
Burlington, Brighton & Wheatland Telephone Company, LLC
Butler Telephone Company, Inc.
Butler-Bremer Communications
C & E Telephone Corporation
Calaveras Telephone Company
Calhoun City Telephone Company, Inc.
Cal-Ore Telephone Company
Cambridge Telephone Company (IL)
Cambridge Telephone Company (NE)
Camden Telephone and Telegraph Company, Inc. (GA)
Camden Telephone Company, Inc. (IN)
Cameron Telephone Company
Canadian Valley Telephone
Canby Telephone Association, dba Canby Telcom
Cap Rock Telephone Coop., Inc.
Carnegie Telephone Company
Cassadaga Telephone Company
Central Arkansas Telephone Cooperative
Central Montana Communications
Central Oklahoma Telephone Company
Central Scott Telephone Company
Central State Telephone Company, LLC
Central Texas Telephone Coop., Inc.
Central Utah Telephone
Champaign Telephone Company
Chariton Valley Telephone Corporation
Chatham Telephone Company
Chazy & Westport Communications
Cherokee Telephone Company
Cheyenne River Sioux Tribe Telephone Authority
Chickamauga Telephone Corporation
Chickasaw Telephone Company
China Telephone Company

Chouteau Telephone Company
Cimmarron Telephone Company
Citizens Mutual Telephone Cooperative (IA)
Citizens Telephone Company (PA)
Citizens Telephone Company of Higginsville, Missouri
Citizens Telephone Company (GA)
Citizens Telephone Cooperative VA)
Citizens Telephone Corp. (IN)
Clarks Telecommunications Company
Clay County Rural Telephone Coop., Inc.
Clear Creek Telephone & Television
Cleveland County Telephone Company, Inc.
Coastal Utilities, Inc.
Cobbosseecontee Telephone Company
Coleman County Telephone Coop., Inc.
Colo Telephone Company
Colorado Valley Telephone Coop., Inc.
Columbine Telecom Company
Columbus Grove Telephone Company
Columbus Telephone Company, Inc.
Comanche County Telephone Company, Inc.
Communication Corporation of Michigan
Communications Corp. of Indiana
Communications Corp. of Southern Indiana
Community Service Telephone Company
Community Telephone Company, Inc.
ComSouth Telecommunications, Inc.
Concord Telephone Exchange, Inc.
Conneaut Telephone Company
Consolidated Telco Inc.
Consolidated Telecom, Inc.
Consolidated Telephone Company
Continental Telephone Company
Copper Valley Telephone Cooperative
Council Grove Telephone Company
C-R Telephone Company
Craigville Telephone Company, Inc.
Craw-Kan Telephone Cooperative, Inc.
Crockett Telephone Company, Inc.
Cross Telephone Company
Crossville Telephone Company
Cuba City Telephone Exchange Company
Cumby Telephone Coop., Inc.
Cunningham Telephone Company, Inc.
Curtis Telephone Company
Dakota Central Telecommunications Cooperative

Darien Telephone Company, Inc.
Daviess-Martin County Rural Telephone Corp.
Decatur Telephone Company (MS)
Decatur Telephone Company, Inc. (AR)
Dell Telephone Coop., Inc.
Delta County Tele-Comm, Inc.
Delta Telephone Company
Deposit Telephone Company, Inc.
Dickey Rural Networks
Dickeyville Telephone, LLC
Diller Telephone Company
Dobson Telephone Company
Dubois Telephone Exchange
Ducor Telephone Company
Dumont Telephone Company
Dunbarton Telephone Company
Dunkirk and Fredonia Telephone Company
E.N.M.R. Telephone Coop., Inc.
EastCoast Telecom of Wisconsin, LLC
Eastern Nebraska Telephone Company
Eastex Telephone Coop., Inc.
Edwards Telephone Company, Inc.
Egyptian Telephone Cooperative Association
El Paso Telephone Company
Elkhart Telephone Company
Ellensburg Telephone Company
Ellerbe Telephone Company
Ellijay Telephone Company
Ellington Telephone Company
Etex Telephone Coop., Inc.
FairPoint Communications, Missouri, Inc.
Faith Municipal Telephone Company
Farber Telephone Company
Farmers Cooperative Telephone Company (IA)
Farmers Mutual Cooperative Telephone Company (IA)
Farmers Mutual Telephone Company (OH)
Farmers Mutual Telephone Cooperative (IA)
Farmers Telecommunications Cooperative, Inc. (AL)
Farmers Telecommunications Corporation, f/k/a Farmers Long Distance (AL)
Fidelity Telephone Company
Five Area Telephone Coop., Inc.
Flat Rock Telephone Co-Op
Foresthill Telephone Company
Franklin Telephone Company (MS)
Franklin Telephone Company, Inc. (VT)
Fremont Telecom Company

Fulton Telephone Company, Inc.
Gallatin River Communications, LLC
Ganado Telephone Company, Inc.
Genesco Telephone Company
Georgetown Telephone Company, Inc
Germantown Independent Telephone Company
Glandorf Telephone Company
Glenwood Telephone Company
Global Valley Networks
Golden Belt Telephone Association
Golden West Telecommunications Cooperative
Goodman Telephone Company
Graceba Total Communications, Inc.
Grafton Telephone Company
Granby Telephone Company
Grand River Mutual Telephone Corp.
Granite State Telephone Company
Grantland Telecom, Inc.
Great Plains Communications, Inc.
Green Hills Telephone Corp.
Gridley Telephone Company
Griggs County Telephone Company
GT Communications, Inc.
GTC, Inc.
Gulf Telephone Company
H&B Communications, Inc.
Halstad Telephone Company
Hamilton County Telephone Cooperative
Hampden Telephone Company
Hancock Rural Telephone Corp. (IN)
Hancock Telephone Company (NY)
Happy Valley Telephone Company
Harrisonville Telephone Company
Hart Telephone Company
Hartington Telecommunications Company, Inc.
Hartland and St. Albans Telephone Company
Hartman Telephone Company
Haviland Telephone Company, Inc.
Hayneville Fiber Transport, Inc, d/b/a Camellia Communications
Hayneville Telephone Company, Inc.
Henry County Telephone Company
Hershey Cooperative Telephone Company
Hickory Telephone Company
Hills Telephone Company
Hinton Telephone Company, Inc.
Hollis Telephone Company, Inc.

Holway Telephone Company
Home Telephone Company (IL)
Home Telephone Company (OR)
Home Telephone Company of Pittsboro, Inc.
Home Telephone Company, Inc. (IN)
Hood Canal Telephone Company
Hopper Telecommunications, Inc.
Hornitos Telephone Company
Humboldt Telephone Company
Humphreys County Telephone Company
I-35 Telephone Company
Iamo Telephone Company
Industry Telephone Company, Inc.
InterBel Telephone Cooperative
Inter-Community Telephone Company
Interior Telephone Company
Interstate Telecommunications Cooperative
Island Telephone Company
James Valley Telecommunications
JBN Telephone Company, Inc.
Jefferson Telephone Company dba Long Lines
K & M Telephone Company, Inc.
Kadoka Telephone Company
KanOkla Telephone Association, Inc.
Kearsarge Telephone Company
Kennebec Telephone Company
Kerman Telephone Company
Ketchikan Public Utilities
Keystone-Arthur Telephone Company
Kingdom Telephone Company
KLM Telephone Company
La Ward Telephone Exchange, Inc.
Lackawaxen Telecommunications Services, Inc.
LaHarpe Telephone Company, Inc. (IL)
LaHarpe Telephone Company, Inc. (KS)
Lake Livingston Telephone Company
Lakeside Telephone Company
Lathrop Telephone Company
Laurel Highland Telephone Company
Le-Ru Telephone Company
Leslie County Telephone Company
Lewis River Telephone Company, Inc.
Lewisport Telephone Company
Lincolnvill Telephone Company
Lipan Telephone Company
Little Miami Communications Corporation

Livingston Telephone Company
Lone Rock Cooperative Telephone Company
Loretto Telephone Company
Lost Nation - Elwood Telephone Company
Ludlow Telephone Company
Madison County Telephone Company
Madison Telephone Company
Madison Telephone, LLC
Magazine Telephone Company
Mahanoy & Mahantango Telephone Company
Maine Telephone Company
Margaretville Telephone Company, Inc
Marianna & Scenery Hill Telephone Company
Mark Twain Rural Telephone Company
Marne & Elk Horn Telephone Company
Marseilles Telephone Company
Matanuska Telephone Association
McClellanville Telephone Company, Inc.
McCook Cooperative Telephone Company
McDaniel Telephone Company
McDonald County Telephone Company
McNabb Telephone Company
MebTel, Inc.
Medicine Park Telephone Company, Inc.
Merchants & Farmers Telephone Company, Inc.
Merrimack County Telephone Company
Metamora Telephone Company
Mid Century Telephone Cooperative, Inc.
Mid-America Telephone, Inc.
Mid-Maine Telecom, Inc.
Mid-Missouri Telephone Company
Mid-Plains Rural Telephone Coop., Inc. (TX)
Mid-Plains Telephone, LLC (WI)
Midstate Communications (ND)
Midstate Communications, Inc. (SD)
Midstate Telephone Company (ND)
Mid-State Telephone Company (MN)
Midway Telephone Company, LLC
Miller Telephone Company
Millry Telephone Company, Inc.
Molalla Communications
Mon-Cre Telephone Cooperative, Inc.
Mon-Cre Wireless, Inc. d/b/a Mon-Cre Long Distance
Monon Telephone Company, Inc.
Monroe Telephone Company
Montana Independent Telephone Systems

Montrose Mutual Telephone Company
Moore and Liberty Telephone Company
Moultrie Independent Telephone Company
Mound Bayou Telephone Company
Moundridge Telephone Company, Inc.
Moundville Telephone Company, Inc.
Mount Angel Telephone Company
Mount Rushmore Telephone Company
Mountain View Telephone Company
Mt. Vernon Telephone Company, LLC
MTC Long Distance, Inc.
Mukluk Telephone Company
Mulberry Cooperative Telephone Company, Inc.
Mutual Telephone Company
Myrtle Telephone Company, Inc.
National Telephone Company of Alabama, Inc.
Nebraska Central Telephone Company
Nelson-Ball Ground Telephone Company
Nemont Telephone Cooperative
New Castle Telephone Company
New Florence Telephone Company
New Hope Telephone Cooperative Long Distance, Inc
New Hope Telephone Cooperative, Inc.
New London Telephone Company
Newport Telephone Company
Nortex Communications, Inc.
North Central Telephone Cooperative
North Country Telephone Company
North Dakota Association of Telecommunications Cooperatives
North Dakota Telephone Company
North Penn Telephone Company
North Pittsburgh Telephone Company
North Texas Telephone Company
Northeast Missouri Rural Telephone Company
Northeast Nebraska Telephone Company
North-Eastern Pennsylvania Telephone Company
Northern Arkansas Telephone Company
Northern Telephone Cooperative
Northfield Telephone Company
Northland Telephone Company of Maine, Inc.
Northland Telephone Company of Vermont
Northwest Communications Cooperative
Northwest Telephone Cooperative Association
Norway Telephone Company, Inc.
Noxapater Telephone Company
Nushagak Electric and Telephone Cooperative

Oakman Telephone Company, Inc.
Oakwood Telephone Company
Odin Telephone Exchange, Inc.
Ogden Telephone Company
Oklahoma Communication Systems, Inc.
Oklahoma Western Telephone Company
Orchard Farm Telephone Company
Oregon Farmers Mutual Telephone Company
Oregon-Idaho Utilities, Inc.
Oriskany Falls Telephone Corporation
Orwell Telephone Company
Otelco Telephone, LLC
Oxford Telephone Company
Oxford West Telephone Company
Ozark Telephone Company
Palmer Mutual Telephone Company
Panhandle Telephone Coop., Inc.
Panhandle Telephone Cooperative, Inc.
Peace Valley Telephone Company, Inc.
Pembroke Telephone Company, Inc.
Peoples Mutual Telephone Company
Peoples Telecommunications, LLC (KS)
Peoples Telephone Company, Inc. (AL)
Peoples Telephone Company, Inc. (TN)
Peoples Telephone Coop., Inc. (TX)
Perkinsville Telephone Company, Inc.
Perry-Spencer Rural Telephone Coop., Inc.
Phillips County Telephone Company
Pierce Telephone Company, Inc.
Pine Belt Telephone Company (AL)
Pine Drive Telephone Company (CO)
Pine Telephone Company (OK)
Pineland Telephone Cooperative, Inc.
Pinnacle Communications (AR)
Pinnacle Communications (OK)
Pinnacles Telephone Company
Pioneer Communications
Pioneer Telephone Cooperative, Inc.
Plainview Telephone Company, Inc.
Plant Telecommunications
Planters Telephone Cooperative, Inc.
Poka Lambro Telephone Coop., Inc.
Polar Communications
Ponderosa Telephone Company
Port Byron Telephone Company
Potlatch Telephone Company, Inc.

Pottawatomie Telephone Cooperative, Inc.
Prairie Grove Telephone Company
Prairieburg Telephone Company, Inc.
Progressive Rural Telephone Co-op, Inc.
Project Telephone Company
Public Service Telephone Company
Pulaski-White Rural Telephone Coop., Inc.
Pymatuning Telephone Company
Quincy Telephone Company
Ragland Telephone Company
Rainbow Telecommunications Association
Randolph Telephone Company
Randolph Telephone Membership Corporation
Range Telephone Cooperative
RC Communications, Inc.
Red River Rural Telephone Association
Reservation Telephone Cooperative
Reynolds Telephone Company
Rice Belt Telephone Company
Ringgold Telephone Company
Ringsted Telephone Company
River Valley Telecommunications Coop
Riverside Telecom, LLC
Riviera Telephone Company, Inc.
Roanoke Telephone Company, Inc.
Roberts County Telephone Cooperative
Rochester Telephone Co, Inc. (IN)
Rock County Telephone Company,
Rock Port Telephone Company
Ronan Telephone Company
Royal Telephone Company
RT Communications
Rural Telephone Finance Cooperative
Ruthven Telephone Exchange Company
S & W Telephone Company, Inc.
S&A Telephone Company
S&T Telephone Cooperative Assn., Inc.
Saco River Telegraph & Telephone Company
Salem Telephone Company
Salina Spavinaw Telephone Company, Inc.
Saluda Mountain Telephone Company
Santa Rosa Telephone Coop., Inc.
Santa Rosa Telephone Cooperative, Inc.
Santel Communications Cooperative, Inc.
Seneca Telephone Company
Service Telephone Company

Shiawassee Telephone Company
Shidler Telephone Company
Shoreham Telephone Company, Inc
Sidney Telephone Company
Sierra Telephone Company, Inc.
Sioux Valley Telephone Company
Siskiyou Telephone Company
Skyline Telecom
Skyline Telephone Membership Corporation
Sledge Telephone Company
Smart City Telecommunications, LLC
Smithville Telephone Company, Inc.
Somerset Telephone
Somerset Telephone Company
South Arkansas Telephone Company
South Central Telephone Association, Inc.
South Park Telephone Company
South Plains Telephone Coop., Inc.
Southeast Mississippi Telephone Company, Inc.
Southeast Telephone Company of Wisconsin, LLC
Southeastern Indiana Rural Telephone Coop., Inc.
Southern Kansas Telephone Company, Inc.
Southern Montana Telephone Company
Southwest Arkansas Telephone Cooperative
Southwest Oklahoma Telephone Company
Southwest Telephone Exchange (IA)
Southwestern Telephone Company (AZ)
Splitrock Properties, Inc.
SRT Communications, Inc.
St. Joe Communications, Inc., d/b/a GT Com Long Distance
St. Stephen Telephone Company
Standish Telephone Company
Stanton Telecom Inc.
Steelville Telephone Exchange, Inc.
Stockbridge & Sherwood Telephone Company
Stockholm-Strandburg Telephone Company
Strasburg Telephone Company
Sugar Valley Telephone Company
Sunflower Telephone Company, Inc.
Sunman Telecommunications Corp.
Swayzee Telephone Company, Inc.
Swiftel Communications
Swisher Telephone Company
Sycamore Telephone Company
Taconic Telephone Corp.
Taylor Telephone Coop., Inc.

Tellico Telephone Company, Inc.
Tennessee Telephone Company
Tenney Telephone Company, LLC
Terral Telephone Company
Terril Telephone Cooperative
The Blair Telephone Company
The Champlain Telephone Company
The Farmers Telephone Company, LLC
The Island Telephone Company
The Pine Tree Telephone & Telegraph Company
The Rye Telephone Company
The Scandinavia Telephone Company
The Stoutland Telephone Company
The Tri-County Telephone Association, Inc.
The Vanlue Telephone Company
The West Penobscot Telephone and Telegraph Company
Three Rivers Telco
Tidewater Telecom, Inc.
Tipton Telephone Company, Inc.
Toledo Telephone Company
Tonica Telephone Co
Topsham Telephone Company, Inc.
Totah Communications, Inc.
Totah Communications, Inc.
Township Telephone Company, Inc.
Trenton Telephone Company
Triangle Telephone Cooperative Association, Inc.
Tri-County Telcom, Inc.
Tri-County Telephone Company, Inc.
Turtle Mountain Communications
Twin Valley Telephone, Inc.
Union Springs Telephone Company
Union Telephone Company
United Telephone Association, Inc.
United Telephone Mutual Aid Corporation
United Utilities, Inc.
UniTel, Inc.
Upper Peninsula Telephone Company
UTELCO, LLC
Valley Telecommunications Cooperative (SD)
Valley Telephone Cooperative, Inc. (TX)
Valliant Telephone Company
Venture Communications Cooperative
Venus Telephone Corporation
Vermont Telephone Company, Inc. ("VTel")
Vernon Telephone Company, Inc.

Virginia Telephone Company
Vivian Telephone Company
Volcano Telephone Company
VTX Telecom
Wabash Mutual Telephone Company
Waitsfield-Fayston Telephone Company, Inc. d/b/a Waitsfield and Champlain
Valley Telecom
Walnut Hill Telephone Company
Wamego Telephone Company, Inc.
Warren Telephone Company
Waunakee Telephone Company, LLC
Wauneta Telephone Company
Waverly Hall Telephone, LLC
West Plains Telecommunications, Inc.
West River Cooperative Telephone Company
West River Telecommunications Cooperative
West Side Telecommunications
West Tennessee Telephone Company, Inc.
West Texas Rural Telephone Coop., Inc.
WesTel Systems
Western New Mexico Telephone Company, Inc.
Western Telephone Company
Wes-Tex Telephone Coop., Inc.
Wheat State Telephone, Inc.
Wiggins Telephone Association
Wilkes Telephone & Electric Company
Williston Telephone Company
Wilson Telephone Company
Wilton Telephone Company, Inc.
Winsted Telephone Company
Winterhaven Telephone Company
Wiregress Telecom Inc.
Wolverine Telephone Company
Woodhull Telephone Company
Wyandotte Telephone Company
XIT Rural Telephone Coop., Inc.
Yates City Telephone Company
YCOM Networks, Inc.
Yelcot Telephone Company
Yeoman Telephone Company, Inc.